SSRO

Single Source
Regulations Office

User Guide for Rates Comparison Report

Introduction

1. Introduction

1.1 This document is issued by the Single Source Regulations Office (SSRO) and sets out guidance to assist contractors with statutory reporting requirements for qualifying defence contracts and qualifying sub-contracts.

1.2 Statutory reporting requirements are set out in the Defence Reform Act 2014 (the "Act") and the Single Source Contract Regulations 2014 (the "Regulations").

1.3 Regulation 39 requires a rates comparison report, for any relevant financial year, by written notice of the Secretary of State.

1.4 The rates comparison report may be required for any one or more pricing qualifying business unit (QBU)

1.5 The requirement for a rates comparison report is subject to the limits in Regulation 31, which sets out the minimum value of a qualifying defence contract for reporting requirements to be imposed.

1.6 All reports are disclosed as OFFICIAL – SENSITIVE – COMMERCIAL. The disclosure of protected information included in this report in circumstances not permitted by Schedule 5 of the Defence Reform Act 2014 is a **CRIMINAL OFFENCE**.

2. Reporting Timeline

2.1 If written notice is given by the Secretary of State to provide a rates comparison report, the designated person must provide the report within two months after receiving such notice.

3. General Guidance for completing report templates

3.1 Ensure macros are enabled within Excel for use of the reporting templates[1]

3.2 On each worksheet **HOME** will redirect you to the home worksheet.

3.3 The home worksheet contains the requirements of the reporting template and contains links to each worksheet within the template.

3.4 If applicable, the "View all worksheets" cell on the home worksheet will reveal a list of all the reports that are to be completed in that template. Select the appropriate report from the drop down list.

3.5 On each worksheet you will find:

Grey cells	Contain headings

[1] https://support.office.com/en-au/article/Enable-or-disable-macros-in-Office-documents-7b4fdd2e-174f-47e2-9611-9efe4f860b12?CorrelationId=2a985251-830b-49db-8389-a112e9b34a14&ui=en-US&rs=en-AU&ad=AU#bm2

Blue cells	Contain section headings
White cells	Contain instructions on the information required
Yellow cells	Are data entry cells and are the **only cells into which you should input data** Select correct option, or input numbers, or monetary amounts (£).
Orange cells	Contain help, definitions or notes to help you complete the date entry cells
Green cells	Indicate when a cell has been completed and passed validation test

3.6 The content of each cell is in the following format:

(1) Choice List – select the appropriate answer from the drop down list

(2) Free text – text/numbers

(3) Date – follow the date format specified

(4) Number – provide the number rounded to the number of decimal places specified.

3.7 If the reference cell is red, then this indicates that inputted data into a data entry cell (yellow cell) has not passed the validation test. You must correctly input data into the data entry cell so the reference line (e.g. 01 – Dates Ref 01) turns green.

3.8 Each worksheet has a sequential number. Where possible, complete worksheets in the prescribed order, with the exception of 01.02 under Report Submission Admin. Some worksheets will drive calculations in subsequent worksheets. This guidance follows the order contained within the templates and as specified in the Regulations.

3.9 Warning: you must not copy and paste data entry cells (yellow cells) from the report template as this will interfere with the functionality and linking to other worksheets.

3.10 **All financial information to be provided in GBP millions unless stated otherwise.**

3.11 For the purposes of this report, the financial year is a year beginning on 1 April and thus ends on 31 March in accordance with Section 43(1) of the Act and in accordance with Regulation 32, the relevant accounting period that applies to a QBU refers to a QBU reporting period.

3.12 Complete all the required information on the template before submission.

3.13 Where references have been given to cells in the reporting templates, those references will be used in the user guide.

3.14 If you encounter any problems, or have any questions regarding the report templates or user guides, contact helpdesk@singlesourceregulationsoffice.gov.uk.

4. User Guide

01. Report Submission Admin

Include the general report contents required under Regulation 33. This includes basic information for the report, such as dates, individuals, and other general information or comments relevant to the rates comparison report.

01.01 - Dates

01.01 As prompted, complete in the box asking for the date the report is required by. Input the date in the format dd/mm/yyyy. Insert any comments relating to the deadline date in the free text comments box.

01.02 Before submitting the report complete the box for the date the report was submitted to MOD and SSRO. If you have any comments relating to the submission date input them in the free text comments box.

01.02 - People

02.01 Insert the name, position, phone number and email address of the individual submitting the report.

02.02 Include the individual to be notified if any compliance notice or penalty notice is issued in relation to the report. As above include, name, position, phone number and email address for the individual.

01.03 - Other

03.01 Insert the financial year the report relates to in the format yyyy/yy. e.g. 2014/15

03.02 Any other comments relating to the report not already mentioned in the dates section should be inserted in the comments text box.

02. Reporting Business Unit - Basic Reference Data

Under Regulation 33 (2) it is a requirement for the rates comparison report to provide details of the qualifying business unit (QBU). The necessary information has been included in the report template and detailed below.

02.01 As prompted, include the name of the QBU.

02.02 Include the reporting business unit address. This should be the address where any correspondence relating to the report is sent. Under this section include the building name/number and the street/road name.

02.03 Include the town/city of the business unit.

02.04 Include the county/region of the reporting business unit.

02.05 Include the country of the reporting business unit.

02.06 Include the post code or zip code of the reporting business unit.

02.07 Include the date of the last day of the most recently competed financial year for the QBU. This date should be expressed in the format dd/mm/yy

02.08 State the name of the principal parent company or the company with the greatest % share in the business unit

02.09 State the Registered Company Number of the principal parent or the company with the greatest % share in the business unit. If equal shares, provide company name and number of additional companies in 2.10 “other relevant information”.

02.10 Provide any other relevant information in relation to the reporting business unit

03. Qualifying Defence Contracts & Qualifying Defence Sub-Contracts

Regulation 39 (4) (a) requires that the rates comparison report must contain a list of all qualifying defence contracts and qualifying sub-contracts that have a contract completion date on or after the first day of the relevant accounting period.

The list must also include all qualifying defence contracts and qualifying sub-contracts to which the designated person or any person associated with is a party. In addition all qualifying defence contracts and qualifying sub-contracts the price of which, have been or will be, calculated using a cost recovery rate which relates to the costs of the QBU.

03.01 In accordance with Regulation 39 (4) (b), the information required for each qualifying defence contract and qualifying sub-contracts is:

1) Any unique identifying number allocated to the contract by the contractor.

2) Any unique identifying number allocated to the contract by the Secretary of State.

3) Any title given in the contract. Where possible this should match the title on the contract cover.

4) The date on which the contract was entered into

5) Any abbreviated contract name which will be used to populate a drop down list on worksheet 05 – Comparison. (not a requirement of Regulation 39 (4) (b))

6) The regulated pricing method or methods used in determining the price payable under each contract. Select the appropriate pricing method from the drop down list.

7) Whether the contract is a qualifying defence contract or a qualifying sub-contract. Select the appropriate answer from the drop down list for each contract

8) Any other comments or relevant information that you wish to identify about each contract. (not a requirement of Regulation 39 (4) (b))

04. Actual Rates

Regulation 39 (4)(c) requires that a list of all the cost recovery rates used in any qualifying defence contract or qualifying sub-contract is provided along with the actual value of each of those rates as provided in the QBU actual cost analysis report.

04 Agreed Business Units Actual Rates for year

1) Provide a list of all cost recovery rates used. These should have a unique title and a description.

2) Provide the actual rate used in £m to two decimal places

3) Please identify the units (£ per) for each recovery rate (e.g. hours)

4) Provide any other information or comments relevant to each rate.

05. Comparison

Under Regulation 39(4) (d)(i) for each cost recovery rate used in determining the contract price under Regulation 10, the following items, included in the report template should be provided. Where the price of the contract has been re-determined under Regulation 14, the most recent determination should be used.

05 Actual and Priced Volumes and Recovery Rates

On this worksheet all white cells will be auto populated based on your selections from previous worksheets. Only complete the yellow cells.

1) The contract name. This will be a drop down choice list based on the contract names inputted onto worksheet 03 – Contracts.

2) For each contract and pricing method, select the recovery rate from the drop down list. The drop down list will be based on the recovery rates inputted in worksheet 04-Actual rates

3) The number of units of actual volume of the recovery costs attributable for each contract should be entered into column O.

4) Where the contracted volume for pricing is an estimate, enter the contracted number of units attributable for each contract.

5) Where the contracted rate for pricing is an estimate, enter the value per unit used in determining the contract price for each contract.

06. Summary Report

The reporting template auto populates a summary of all information entered in this template.

No entries are required on this worksheet.